

Defense for Acquisition, Technology and Logistics and the USD(I), and will be a consistent part of the comprehensive effort by the USD(I), in consultation, as appropriate, with the DCI, to establish requirements for the development of a fully integrated manned and unmanned airborne reconnaissance architecture that makes appropriate use of reach-back technology.

Development of sophisticated analytic tools

Following the terrorist attacks of September 11, 2001, the Intelligence Committees have repeatedly emphasized the importance of developing sophisticated new analytic tools to ensure the rapid processing and analysis of foreign intelligence information, as well as increased collaboration among the diverse national security elements of the Federal government. The potential value of such tools for "connecting the dots" is clear. The Conferees recognize, however, that advanced analytic tools, if misused, could impact the privacy of U.S. persons. Efforts by the Defense Department and other agencies to develop these tools have come under intense scrutiny for this reason. To address reservations concerning possible encroachments on individual liberties, the Fiscal Year 2003 and Fiscal Year 2004 Department of Defense Appropriations Acts (P.L. 108-7 (Division M) and P.L. 108-87, respectively) contained limitations on the development and use of certain "data-mining" activities.

In Section 8131 of the Department of Defense Appropriations Act for Fiscal Year 2004, and in its accompanying classified annex, the Defense Advanced Research Projects Agency's Terrorist Information Awareness program was terminated and requested funds were expressly provided to the National Foreign Intelligence Program (NFIP) to develop "[p]rocessing, analysis, and collaboration tools for counterterrorism foreign intelligence." Section 8131 prohibited "deployment and implementation" of these tools except for

(1) Lawful military operations of the United States conducted outside the United States; or

(2) Lawful foreign intelligence activities conducted wholly overseas, or wholly against nonUnited States citizens.

The Conferees do not interpret the restriction contained in Section 8131 as a restriction on the development of analytic tools for "processing, analysis, and collaboration tools for counterterrorism foreign intelligence." Instead, the Conferees recognize this language as a restriction on "deployment and implementation."

In the Classified Annex accompanying this Act, the Conferees have specifically authorized the use of the funds appropriated to the NFIP to continue development of advanced processing, analysis, and collaboration tools. The Conferees direct that any experiments or efforts to test these tools should be conducted only against U.S. Government databases containing foreign intelligence information lawfully collected, analyzed, retained, or disseminated under existing statutes, regulations, Executive orders, or Attorney General guidelines governing such activities, including all applicable restrictions concerning the collection, analysis, retention, or dissemination of U.S. person information. The Conferees encourage active participation in these developmental efforts by all elements of the Intelligence Community.

The Conferees are convinced, however, that an analysis of the policies and procedures necessary to safeguard individual liberties and privacy should occur concurrently with the development of these analytic tools, not as an afterthought. The Conferees recognize that current restrictions on the conduct of intelligence and law enforcement activities,

as well as the protections afforded U.S. persons under applicable laws, regulations, and Executive orders, can be applied to these new tools. The Administration should also consider whether new policies and procedures are necessary to ensure privacy protections when these advanced information technology tools are utilized in intelligence and law enforcement activities. This examination should include diverse opinion and expertise and should be conducted with as much transparency as possible, recognizing the importance of protecting intelligence sources and methods.

The Conferees direct that the Attorney General and the DCI jointly provide an unclassified report, with a classified annex, as necessary, to the Intelligence Committees regarding the application of the Constitution, laws, regulations, Executive orders, and guidelines of the United States to the use of these advanced analytic tools by the Intelligence Community. This report should specifically address existing protections for the collection, analysis, retention, and dissemination of U.S. person information. Although the Conferees have not authorized the development, testing, or deployment of these advanced analytic tools against databases which contain information other than foreign intelligence information, including private sector databases, the report should address the application of existing laws or policies to searches of such databases, whether publicly or privately held, as well as any proposed modifications to laws or policies that may be necessary in the future to ensure appropriate protections for U.S. persons. The report should include an analysis of law, regulation, and policy that takes into account potential technological advances that will protect privacy interests, such as selective revelation technologies, enhanced access controls and audit trails, and techniques to "anonymize" U.S. person information. The Conferees believe that the Attorney General and DCI should seek input from experts in law, technology, public policy, and national security when drafting this report. This report should be provided to the Intelligence Committees no later than one year after enactment of this Act.

From the Permanent Select Committee on Intelligence, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

PORTER J. GOSS,
DOUG BEREUTER,
SHERWOOD BOEHLERT,
JIM GIBBONS,
RAY LAHOOD,
RANDY "DUKE"
CUNNINGHAM,
PETE HOEKSTRA,
RICHARD BURR,
TERRY EVERETT,
ELTON GALLEGLEY,
MAC COLLINS,
JANE HARMAN,
ALCEE L. HASTINGS,
SILVESTRE REYES,
LEONARD L. BOSWELL,
COLLIN C. PETERSON,
BUD CRAMER,
ANNA G. ESHOO,
RUSH HOLT,
C.A. DUTCH

RUPPERSBERGER,

From the Committee on Armed Services, for consideration of defense tactical intelligence and related activities:

DUNCAN HUNTER,
CURT WELDON,

Managers on the Part of the House.

From the Select Committee on Intelligence:

PAT ROBERTS,
ORRIN HATCH,

MIKE DEWINE,
CHRISTOPHER S. BOND,
TRENT LOTT,
OLYMPIA SNOWE,
CHUCK HAGEL,
SAXBY CHAMBLISS,
JOHN WARNER,
JAY ROCKEFELLER,
CARL LEVIN,
DIANNE FEINSTEIN,
RON WYDEN,
DICK DURBIN,
EVAN BAYH,
JOHN EDWARDS,
BARBARA A. MIKULSKI,

From the Committee on Armed Services:

WAYNE ALLARD,
BILL NELSON,

Managers on the Part of the Senate.

MOTION TO INSTRUCT CONFEREES ON H.R. 2660, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

Mr. KILDEE. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. KILDEE moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2660, be instructed to insist on no less than \$14,247,432,000 for student financial assistance and the highest funding level possible for subpart 1 of part A of title IV of the Higher Education Act of 1965 (the Pell Grant Program).

Mr. KILDEE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to instruct be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Michigan (Mr. KILDEE) and the gentleman from Ohio (Mr. REGULA) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, the motion I am offering today asks conferees to provide the highest possible funding level for the Pell grant program. It is important to remember that the vast majority, 84 percent of the 5 million Pell grant recipients have incomes less than \$30,000. Unfortunately, since President Bush took office, this program and its recipients have suffered.

During President Clinton's term the Pell grant maximum rose from \$2,300 to \$3,750. In contrast during President Bush's current term the Pell grant has only risen \$350 in the past 2 years. All this comes at a time when the cost of college is rising significantly.

In the House and Senate fiscal year 2004 appropriations bill, these troubling trends have continued. These bills freeze the maximum Pell grant at \$4,050, the first such freeze in a decade.

As a result, the maximum Pell grant would finance only 36 percent of the average individual's college cost in the 2004 academic year under the Republican bill. This is compared to 84 percent when the program was first established.

To make matters worse, the House and Senate bill were actually under the administration's admittedly paltry request, under the administration's request. This chronic underfunding, coupled with the sour economy, has led to a growing deficit in the Pell grant program. If we continue to underfund this program, this deficit is likely to grow into the billions of dollars.

Pell grant funding is crucial for those seeking to attend college. Almost two-thirds of all students must borrow to finance their college education. The average student loan debt has nearly doubled over the past decade to \$17,000. Pell grant recipients are four times more likely to borrow student loans. Families of low-income, college-qualified, high school graduates face an annual unmet need of \$3,800. College expenses not covered by Pell grants, work study, or student loans, \$3,800.

A college education is critical to an individual's future success. Individuals holding a bachelor's degree earn an average of 80 percent more than someone with just a high school diploma. Over a lifetime, this earnings' gap for an individual with just a high school degree widens to well over \$1 million. These statistics are startling and make access to college education even more important today. An investment in Pell grants is truly an investment when you see the size of that gap.

The recipients of those Pell grants will return far more to the Treasury than what we received in the Pell grants. That is not just guessing; that is going back in history to the GI Bill of Rights. No one on my side of the city of Flint, Michigan, went to college until the GI Bill of Rights came along. They went to college and they returned far more to the Treasury than what they received from the government. This is truly an investment.

Unfortunately, the Republican record on this issue is poor at best. In fiscal year 1996 House Republicans cut President Clinton's request for a \$2,620 maximum Pell grant by \$180. Over the past 2 years, the Pell grant has only increased \$50. Both the House and Senate bills have frozen the maximum Pell grant. And now the Pell grant program is running a deficit. This deficit is very likely to increase given our current budget and economic conditions.

Mr. Speaker, this House needs to take a stand today. We need to emphatically say that we are going to reverse the trend of recent years and actually invest in the Pell grant program. Without such an investment, our students, especially the most needy, are going to continue to have the doors of college education shut in their faces.

Mr. Speaker, I urge members to support this motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

(Mr. REGULA asked and was given permission to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, we could just look at this chart and I would rest my case. The blue is the Pell grant under the Democrats. The red is the Pell grants under the Republicans.

Now, I am pleased that in the motion to instruct that the gentleman from Michigan (Mr. KILDEE) is urging us to adopt the number passed that was in the House-passed bill. We did not get a vote on the Democrat side; but, nevertheless, tonight we are being asked to instruct conferees to adopt the number that was in the House bill. And that is great. It was a good number as evidenced by the chart. This chart shows the maximum award under the Pell grant program. It has grown under Republican leadership, as evidenced by the red line here. And in the labor bill it maintains the maximum award of \$4,050 for fiscal year 2004. When we took control of the Congress in 1995, the maximum Pell grant under the now-minority was only \$2,340. And it was funded at \$6.2 billion. Today under the Republican leadership, the maximum is \$4,050 and the amount in the budget authority was \$12.25 billion.

I agree with the previous speaker, this is a great program. It gives middle-income students access to college. In 2004 there will be about 4.9 million students, almost 5 million students that will have a chance to go to college because of Pell grants. In the last 2 years, the number of Pell grant recipients has surged by 25 percent. It is a good example of a need-based program meant to open doors and provide an equality of education opportunity. The poorer the student, the larger the award. It is a means-tested program, so it recognizes that those with the most need get the most help. It is an example of the Federal Government enabling school choice for millions of Americans. They can use their Pell grants for public or private schools; they can use them to attend religious schools. Real choice is one reason that this country's higher education system is the envy of the world.

And let me emphasize that in 2004 not one student will see their Pell grant reduced based on their circumstances. I think it is a record we can be very proud of. We can be proud as a Nation that we are providing some help to students to ensure that they have access to higher education. I think more and more we come to realize how important it is for individuals to get access and opportunity to get the benefits that go with higher education.

Personally, I would like to see the school system become seamless: from the day that student ends the first grade that they think in terms of going through 16 years and getting the col-

lege education, that we do not think there is a stopping place, that the student thinks in terms of their future ending up with some type of education beyond high school. The Pell grants ensure that every child will have an opportunity that might not otherwise get that chance.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion that was read, that is for overall student aid. We maintain the House level, which is higher than the level of the other body. But we also ask that for the Pell grants we reach the highest grant level possible.

Mr. Speaker, I yield such time as he may consume to the ranking member of the committee, the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman from Michigan (Mr. KILDEE) for bringing this motion and giving us an opportunity not only to speak on this issue but also to hopefully persuade the conferees to do as we suggest in his motion, and that is to seek an overall funding level of at least 14.3 million for student aid and the highest possible level for the Pell grant program.

Today we are faced with the critical need to expand opportunities for low- and middle-income students to access college education. Too many students are forced to take on high loan debt, work long hours, and forgo college all together. Typical middle-income students face a \$3,000-a-year unmet need after all grants, loans, and work study, while the typical low-income student faces an unmet need of some \$3,800. For millions of laid-off American workers, additional education training is the key to successfully reentering the workforce. Without additional student aid, these workers will remain jobless for a longer period of time than necessary, or they may remain jobless for a very, very long time because of failure to adapt their skills to the changing marketplace.

In California, alone, more than half a million students workers who were retained rely on the Pell grants to attend college. Today the average Pell grant of \$2,415 is worth approximately \$50 less in real terms than it was almost 30 years ago. And that is the reason we are asking to hopefully honor these higher levels of the House-passed legislation.

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Pell grants now represent just 11 percent of all student aid compared to Federal loans, which represent 45 percent of all student aid. Thirty years ago, the two major grant programs, Pell and the supplemental education opportunity grants, accounted for more than 40 percent of all student aid. Today, they account for less than 20 percent.

Just as a higher education and student aid has become more important to

our national security and economic prosperity, President Bush called on them to cut the maximum Pell grant, and the Republican 2004 Labor-HHS freezes the maximum Pell grant at \$4,050.

In addition, the Republican 2004 Labor-HHS bill slashes the Bush administration's overall Pell budget request by \$465 million.

We should support, and not oppose, efforts to meet our critical national, economic, and security needs. Yet the Republican 2004 Labor-HHS bill not only fails to meet those needs but also fails to meet the needs of current and future college students.

I urge my colleagues to vote "yes" on the Kildee motion to support these higher levels of funding, and I would say to my friend and colleague from Ohio (Mr. REGULA), the chairman of the subcommittee, that we would like to share a little credit for those increases in Pell grants since we had a Democratic President a number of those years. We had a Democratic Senate, and we would like to think we participated in that effort.

What troubles us is the right-hand edge of that chart where it is topping out. It is sort of hitting a plateau and kind of running along there without those increases. The gentleman has been a champion of education. I could not feel anymore comfortable than making the plea to him because I spent many hours with him on elementary and secondary education and higher education, and all of the issues that confront these institutions; and we have tried, I think, in our best wisdom to try and improve those institutions.

Clearly, we are now seeing part of it is the turmoil in the economy, part of it is the turmoil in State budgets; but students are not able to put together the financial wherewithal, and especially low-income students are starting not to apply to colleges and universities, and we know that we need them to do this.

The gentleman and I have sat through numerous conferences where they have now made clearly the determination in the employer community that what the student needs for entry level jobs, if that job is in any way going to lead to a career, they need the same set of skills, talent, and education one would receive in an AA degree, as they would just for entry level, but for many students, especially those from low-income communities, that means that they have got to have some financial assistance for those 2 years of college as they try to acquire those skills. Should they desire to go on, obviously the burden gets greater.

So I guess we do not feel that this is falling on deaf ears with the chairman because he has been a champion. We are hoping, and I think he started in the omnibus appropriations bill this evening the negotiation and maybe the Labor-HHS bill ends up in that appropriations. We are hoping that as all of those figures are moved around and

those decisions are made that this is sort of our last plea to try and meet these numbers so that we can attend to the problems of low-income students who have worked hard in high school, become eligible to go on to community college, to 4-year colleges, to universities and that the financial support system is what really stands in their way.

We would hope that when we vote on the Kildee motion, I guess we will vote tomorrow, we would hope that it would be overwhelmingly in support of that motion and that message would be carried into the appropriations deliberations over the next couple of days and over the weekend, if necessary, in order to hammer out a budget that we could all support for Pell grants and for student aid.

I want to thank the gentleman who has been involved so many years in higher education, on the authorizing committee, the gentleman from Michigan (Mr. KILDEE), for offering this motion; and we look forward to everyone's support for this motion.

Mr. REGULA. Mr. Speaker, I yield as much time as he may consume to the gentleman from Pennsylvania (Mr. PETERSON), a very valued member of the subcommittee.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the chairman for yielding me the time, and I would like to commend the chairman for his leadership on this issue. I know the gentleman from Ohio is a strong supporter of education.

I want to congratulate the Democrats for coming aboard. Where were they in July when the chairman was funding Pell grants at the level they now want to support? Where were their votes then? Or was partisan politics more important?

I think the record speaks for itself. We talk about a plateau up here, which may be a plateau in the maximum grant, but it is not a plateau in money.

Last year, it was \$11.365 billion; this year, \$12.250 billion, almost a \$1 billion increase; but that has been absorbed by the increased number of students. In fact, from the beginning of this chart we were talking about 2.9 million students, and at the end of this chart we are talking about 5 million students. So the growth in the program has been immense.

Those who criticize the plateau we have reached here in the maximum grant, let us go back to 1992, to 1993 where there was a huge decrease; 1994, a continued decrease; 1995, a slight bump but still way below 1991 and 1992. I do not know what was going on then, but my colleagues were in control, and it shows the blue part here where the real money for Pell grants was not put in the budget.

The increase of the maximum grant was not flat. It actually was declining over a 3-year period. So there is no decline up here, and the reason there is not growth is a strong growth in the number of students at a time when

budgets are tight, but we want to congratulate my colleagues today for joining support of the House numbers.

As we review the education issues, I think we had a chart up here last week on special education or whether it is Pell grants or whether it is funding for other education programs, since 1996 the Republicans have put money on the table for the youth of this country. More money in an 8- or 9-year period than has even come close to in 8 or 9 years prior to that. That chart last week on IDEA was almost the same as this, almost flat funding for 9 or 10 years, and then a strong, steady escalation.

We would like to have this chart going on up, but if we had not picked up the number of students we picked up last year, we could have, because we are putting in about \$1 billion.

Let us join hands, but let us be fair. Pell grants are the gas and oil of education for the young people of this country, especially for the poor. They are the grants that give people help, and I can think of lots of them in my family. My younger brother was the first one to receive a college education. It was not available, Pell grants and other grants were not available in Pennsylvania when I was in high school. I never had the opportunity to go to a college. Why? I looked at being in medical school. My family was too poor. There was no State help. I looked at going into forestry and found out we could not afford that.

So the minute I graduated from high school I went to work and built a life with hard work; but my younger brother went to the military; and it was through that program, after he came back from Vietnam, that he got the first college education in our family, my brother Bruce, and I am very proud of him. It took him more than 4 years to do it, took him a while to get his act together, but he got a college education because the military system assisted him.

Yes, this program is vital to our future, and we are glad my colleagues are here tonight to support the Republican position that was here in July but was not adequately supported from their party. Pell grants are not about Republicans and Democrats. They are about kids, and I will stand on this record of achievement anytime.

We always wish it could have been better, and the grant may have flattened out in its maximum grant; but the number of students, if we had that chart would show us continuing to go up because we have a lot more students getting them. We have a record of success. We thank my colleagues for joining us. Just wish they had been here in July.

Mr. KILDEE. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I thank my friend and leader from Michigan for yielding me this time, and I appreciate and commend to him bringing this motion tonight. This is a very important

program in regards to higher education funding, and the gentleman from Michigan (Mr. KILDEE) is someone who probably has more institutional knowledge in regard to the education programs and the funding of education programs than anyone else in the House of Representatives.

I think this is an important motion. It is a timely motion because of the trend that will be set here with the precedent being created in the next fiscal year as far as freezing the average Pell grant award given in this country. But just to be clear, the motion calls for not less than the House number that we should strive for in conference, and I appreciate the work the chairman has done in regard to the defense of education funding programs. He has been a champion in this issue. But what is being called for now is for the first time in over a decade freezing Pell grant awards at \$4,050. If this goes through, this will affect adversely 86,000 more students who would normally qualify for Pell grants, but will be shut out of the system.

In Wisconsin, the State that I represent, we have 58,000 students who rely on Pell grants in order to go on to post-secondary education opportunities. There are five State universities in my congressional district alone. Thousands of students in Western Wisconsin rely on Pell grants in order to open up the doors to higher education.

Not only by underinvesting in this area will we have an adverse impact on future economic growth. I submit that it is going to have national security implications as well. I think this body would be well served to spend a little time studying the trends of places like China and India and the education infrastructure going on in those countries and the numbers of undergraduates that they are producing every year, which are going up year by year, including more engineering students being graduated in China and in India; and if we do not invest in the future of our country, our youth, we are going to leave them in a tough position to be able to compete in the global marketplace, not to mention perhaps slipping in regard to the technological edge and superiority that we now hold as a Nation compared to other nations that are investing in this area.

Just as an example, China yesterday announced that they are going to increase the fuel efficiency standards for the cars sold in China at higher standards than what exists here in the United States of America. Part of that is going to involve advances in technology to enable them to do it. It is an embarrassment that China is taking this unprecedented step, and we know in our gut that we should be doing it here as well.

When the original Pell grant program was passed many years back, it accounted for roughly 86 percent of the cost of a student with tuition and fees and room and board. Today, that slips below 50 percent. Now there is greater

reliance on loans for students to finance their education.

Again, in my congressional district, the average student, when they do graduate from a 4-year university, is facing on average about \$17,000 of debt coming out of school because of the greater reliance on loans as opposed to these grant programs. We are forcing them to dig a fiscal hole at a crucial time in their life when they are trying to start a career, have a family, have children, and this trend has been going on for some time.

My colleagues on the other side are finally pointing to the graph and that, but they often neglect it was President Clinton that was forcing this investment in college education programs, why we saw the consistent trend line in the 1990s; but let us also remind ourselves that he was doing that in the context of balanced budgets and budget surpluses, because there is nothing easier to do in this place than to pass a bill that is not paid for, and this has been a consistent trend for the last few years: a \$30 billion energy bill yesterday, perhaps a \$400 billion prescription medication bill later on this week, not paid for, all deficit financing. That is easy politics to support, but when the Clinton administration was increasing Pell grant awards during the 1990s, we were doing it in an era of budget surpluses, with fiscal discipline and fiscal responsibility.

Hopefully, they are not crowing too loudly in regard to what was occurring in the 1990s versus the freeze now that we are seeing under one-party control here in Washington.

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This is an important program. It does affect so many students. Again, by freezing not only the Pell Grant program but by freezing all campus-based student aid programs, college work study programs, SEOGs, Perkins' loans, the LEAP program, we are going to be forcing more and more students to have to build a debt route to finance their schooling, but more importantly closing the door of opportunity for many students who would otherwise qualify for higher education, but will not be able to afford it because of the lack of resources that are available.

So I hope that my colleagues support this motion. I commend the gentleman from Michigan for raising this issue in a timely basis. Again, I commend the work that has been done even on the other side, of the chairman in his defense of a lot of education funding in this fiscal year and also in past years. But this is important and we should not lose sight in regard to the crucial investments that have to be made for the future of our country, the youth of our Nation.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, the gentleman from Wisconsin made a statement that I guess

we were confused about. He talked about a number of students that would not get grants under this program. I wonder if he could give us that information again. We did not understand it.

Mr. KIND. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Wisconsin.

Mr. KIND. Mr. Speaker, I would be happy to clarify my statement. By freezing the Pell Grant award in regard to the funding level that is established, there has been a score indicating that 86,000 more students who would otherwise qualify for Pell Grant funding will not qualify as a consequence. This is nationwide, not just in the State of Wisconsin.

Mr. PETERSON of Pennsylvania. Reclaiming my time, Mr. Speaker, what does the gentleman mean? If a person qualifies for a Pell Grant, the program borrows money, if I understand it correctly, and then we have to replenish it. But anybody who meets the criteria of the Pell Grants will receive the Pell Grants, whether we budget enough money or not; am I correct?

Mr. REGULA. That is right.

Mr. KIND. Mr. Speaker, if the gentleman will continue to yield so that I can clarify myself, it is in the context of all the regulatory changes as well that the administration is proposing in the formula and the effect that that would have on the 86,000 students in this country that this side is very concerned about and we are hoping to engage our colleagues' support on the issue as well.

Mr. PETERSON of Pennsylvania. Well, Mr. Speaker, again reclaiming my time, I personally have no understanding of how a student who qualifies for a Pell Grant will not receive Pell Grants. The gentleman is talking about a number of issues here, but I think he is misleading the American public a bit with that statement. If someone qualifies for a Pell Grant, whether we adequately fund the program or not this year, it will be backfilled next year.

And so I hate to leave young people in America with the perception that this budget could disqualify them from a Pell Grant, and if we did something different that they would get a Pell Grant. I think that is a little less than accurate.

Mr. KILDEE. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. FATTAH).

Mr. FATTAH. Mr. Speaker, let me thank the sponsor of this motion for all the work that he has done. And let me say, I do not believe there is anyone in this Chamber who would be more enthusiastic about fully funding and making available higher education opportunities than the gentleman from Ohio, who is the chairman of this subcommittee.

I think that none of us come to this floor tonight, at least I do not, as part of some partisan attempt to win a few

debating points. The future of the young people in our country is much too important for us to make this a partisan back and forth.

I went to a number of institutions, but before I went to the University of Pennsylvania and to the Kennedy School at Harvard. I went to the Community College of Philadelphia. I went there able to enroll with the basic educational opportunity grant, a Pell Grant recipient, when I started out as a college student. I have at home tonight two young children, one 5 years old and another just 8 weeks old, and two older ones who have matriculated most of their way through higher education, one through law school and another who is finishing a business education at a university home in Pennsylvania.

I served with the gentleman who just spoke from Pennsylvania for a long period of my years in the Pennsylvania Senate and House, and during that time served in a leadership role at the Pennsylvania Higher Education Assistance Agency, where over a million young people were provided, through State grant assistance, the opportunity to go to college. We just launched in Philadelphia an effort where we secured some \$40 million through local funds to make sure that every graduate of our public schools knows with a certainty that they can go on to college.

This question of the future of our Nation is not just one for my daughters at home, Cameron and Chandler, but it is really the shaping impulse of the future of our country that we not focus so much on the next election but that we focus on the next generation. We need these young people to be college educated in order to have an economy that works.

I do not think anyone would suggest that since not one Republican voted for the Clinton economic plan that somehow they were not for 20 million new jobs, or they were not for balanced budgets, or they were not for the surpluses that were generated during the Clinton years. Those Democrats that found some question about this appropriations bill earlier in this session were voting because they wanted more done, not less done. And we come here tonight to join with the chairman and to say that at a minimum the conference committee, which both of us serve on, should do at least as much as the House has suggested that we do.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume, and let me make a couple of points here.

One, not one student will be denied a Pell Grant that meets the qualifications. Number two, the formula is written into the law, and we are not changing the formula. So the maximum amount will remain the same. And, number three, on July 10, 215 Republicans voted for the bill, and my colleagues tonight are saying in this motion that they agree with the number that was adopted then.

We support the motion because the motion is saying do what the Republicans did on July 10 in terms of funding the Pell Grants. We are totally in agreement. We were in agreement then, and we are in agreement tonight. We like the program. We want to make sure that every student that meets the criteria of need will have an opportunity.

So we do not have a disagreement tonight on what we are trying to accomplish, and we are pleased that the other side has this position tonight. We wish our colleagues had had it on July 10, but we welcome your support tonight and will join you in this motion.

Mr. FATTAH. Mr. Speaker, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. Mr. Speaker, as we would have wished that there would have been at least one Republican that voted for the Clinton economic plan, there are times in which clarity on these issues is not as readily available.

But I want to thank the chairman for all that he has done, and we hope that in this conference that we will do at least as much as the gentleman was able to get the House to do.

Mr. REGULA. Mr. Speaker, reclaiming my time, we would like to do that, and we will certainly make every effort because we have not changed our minds since July 10 that this is a good program and should receive the funding that was incorporated in the bill at that time.

Mr. FATTAH. Mr. Speaker, if the gentleman will continue to yield, I will conclude by saying that I would hope there would come a day we could guarantee that every American youngster would be able to qualify for a Pell Grant or some vehicle for them to go on to college.

The gentleman has done a lot of work with me on GEAR UP and other projects, and we are doing a lot, but there is more to be done because millions of our young people in this country do not yet know with a certainty that they can go to college, and we have not, in this time of high tuition increases, kept pace. That is all we are asking tonight; that we do as much as we can do at this moment in time.

Mr. REGULA. Once again reclaiming my time, Mr. Speaker, we are in agreement on Trio and GEAR UP, and I think the gentleman would be in agreement that we make the system as seamless as possible so that these students will enter kindergarten and the first grade with the idea that they are going to go all the way. And part of that would be the Pell Grants, to ensure that, regardless of their economic circumstances, and that is often beyond their control, but that they are still going to get that kind of an opportunity.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume,

before I recognize the gentlewoman from New York, to say that we, obviously, are concerned and worried that whenever a conference committee meets that the House may come back with something less than what was in the House version of the bill. That is why this motion calls upon the conferees to provide no less than the House level for overall student financial aid and the highest amount of funding for the Pell Grant program. Because strange things have happened in conference before.

Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I want to join my colleagues in saying that we appreciate all the good work that the gentleman from Ohio (Mr. REGULA) has done, and we know of his great, great commitment. I have had the privilege of serving on the committee with him, and we know of his great commitment to education. And I feel confident that if the gentleman himself could put more money into the Pell Grants and into this bill for education that he would like to do so. I know that sometimes these decisions are not just left up to the chairman.

But I do hope that we can get together, Democrats and Republicans, and support the motion of my good friend, the gentleman from Michigan (Mr. KILDEE); that we can work together to hopefully get more money, but, clearly, no less than was in the House bill, because that is the important point we want to make together.

We know the facts, Mr. Speaker. Over the next 10 years, more than 16 million students will be enrolled in America's colleges and universities preparing for the challenges of a high-tech economy and a highly-educated and productive workplace. Yet, affording higher education does remain a serious challenge for so many Americans.

I meet with college students often, and I recently met with several students to discuss the high cost of college tuition. The chairman and I know that most of these students are working two and three jobs. With the cost of college increasing faster than the rate of inflation, many of these students are really struggling just to pay the bills. In fact, one student at a local college told me that his parents were denied credit in purchasing a house because of all the outstanding student loans he is wearing around his neck, and it is so very difficult for him.

We understand how important an education is, and an advanced degree should not be this difficult or this costly. One would hope that during these hard economic times students attending college could count on greater support from the Federal Government, and that is what this is all about. As hard as Chairman REGULA worked, and many of us were prodding us all on, neither the House or the Senate bills increase the assistance. For example, we know that the maximum Pell Grant is frozen at \$4,050.

And let me remind my colleagues, I think it is important to note that when the Pell grant was started in 1975, the grants paid about 84 percent of college costs and it now pays only 41 percent. So the average student loan debt has nearly doubled over the last 5 years. Last year, the average undergraduate borrower left school with nearly \$17,000 in debt due to Federal student loans. With nearly 64 percent of students depending on student loans, how can we in good conscience, Democrats and Republicans, all of us, keep the Pell stagnant and flat fund the very programs that encourage States to implement needs-based aid, especially when colleges across the country are instituting record-high tuitions to make up for faltering State budgets and decreased philanthropy.

So in conclusion, let us remember that over the course of a lifetime, a college graduate can expect to earn \$1 million more than a high school graduate, and clearly making college accessible to all Americans is a sound investment. So what I am really hoping with this very important motion, and I want to thank my friend, the gentleman from Michigan (Mr. KILDEE), and I hope that Democrats and Republicans will support it, that we work very, very hard to help the 2.9 million graduating high school students, the 5 million Pell Grant recipients, and the millions of Americans who rely on student aid programs to make attending college a reality.

Once again, I know of Chairman REGULA's deep commitment to education, and I know that in the conference he will do everything he can, and I hope that at a very minimum the House number is kept and that we will not go below it. Because we all who are committed to education and working so hard on this very important committee, which we treasure, we all hope that we can increase these numbers in years to come because we both understand the importance of it. So let us make sure we do not go below the House number.

□ 2100

Mr. REGULA. Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman from Michigan (Mr. KILDEE) for this motion, and I want to thank the gentleman from Ohio (Chairman REGULA) who certainly has the best of intentions, but there are times when a motion to instruct can help a well-meaning chairman get the most out of a conference.

As the gentlewoman from New York (Mrs. LOWEY) pointed out, Pell grants have eroded in their purchasing power. They were intended to provide three-quarters of a typical college tuition. Now it is maybe a third.

Furthermore, as the gentleman from Pennsylvania (Mr. PETERSON) and the

gentleman from Ohio (Mr. REGULA) pointed out, the dollar amount is in statute and so no student is going to lose the Pell grants this year; but as long as we continue to underfund them and borrow money from subsequent years so we can pay the tuition for this year's students, the program is not healthy and that needs to be adjusted. I join with my colleagues and echo the comments of the gentleman from Michigan (Mr. KILDEE) and others in this motion to instruct.

I would like to take an opportunity to talk about another issue regarding Pell grants and their affordability. In May of this year, the Department of Education published updates to the allowance for State taxes and other taxes that are used by students and their families to calculate the expected family income, or what they know as the EFC. The EFC is the amount students and their families are expected to contribute toward college in a given year, and a family's EFC determines eligibility for Pell grants and other Federal aid, and many private institutions use EFC to determine eligibility for private financial aid.

Unfortunately, the Department's change in how the State and local taxes are figured into a family's ability to pay will increase the contribution expected from the family for nearly all American families. While the impact of increases in EFC will vary from student to student and family to family, it will reduce aid for many students. In fact, the Department of Education recently determined that the changes in the State and local tax allowances would cause about 84,000 students to lose their Pell grants entirely and would reduce Pell grants overall by maybe \$300 million. Students will lose many other types of Federal, State, and private assistance as well under this new calculation.

At a time when tuition costs are rising and the economy is sputtering, it is troubling that the administration would make any changes, any changes that would reduce financial aid. Furthermore, these changes are grossly unfair. They reduce the credit that families get for paying State and local taxes at the very time when they are paying more State and local taxes.

According to the National Association of State Budget Officers, State taxes increased by more than \$8 billion in fiscal year 2003 and will grow even more, maybe \$17 billion, in 2004. When the Senate considered the Labor-HHS appropriations, Senator CORZINE offered an amendment to block these new changes from the administration, and it passed on a large bipartisan vote.

The gentleman from Florida (Mr. KELLER) and I, along with 75 other Members, including the gentleman from Michigan (Mr. KILDEE), have written a letter to the appropriators urging Congress to retain the Corzine amendment so that in this conference or in any other bill that includes fiscal year 2004 funding for the Department of Education, the cuts would be restored.

Mr. Speaker, I urge Members to stand with America's college students in supporting the Corzine amendment in conference and in supporting the Kildee motion.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let us be clear, there are no students going to be cut off. Those that meet the qualifications are going to get the grants in accordance with their family's economic situation. The formula is written into the law. We are not changing that.

Secondly, what this motion proposes is to do exactly what the House did on July 10. We welcome the support of the other side of the aisle and the fact that they are joining the 215 Members that voted for the bill that contain the Pell grant numbers exactly as are being proposed tonight, and we certainly support the motion to instruct because this motion is instructing House Members to do what we did on July 10. We are happy to join the other side in this effort and hope on a bipartisan basis prospectively in the future that we retain strong support for Pell.

All of the arguments that have been made tonight are very compelling, and it is what I would like to see, and that is to get the system seamless so that young people think in terms of 16 years, because if America is to be competitive in the years ahead, we need a very well-educated population. We have seen time and again how important that is to the future of our Nation.

Mr. Speaker, I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself the balance of my time.

Parliamentary procedures did not enable us to ask for a higher amount, or we would have asked for a higher amount.

The motion calls upon the conferees to provide no less than the House level for overall student financial assistance and the highest amount of funding for the Pell grant program.

Without adequate resources in this program, low- and moderate-income students will not be able to gain a post-secondary education. College costs are soaring, we know that. So much so that Democratic Members introduced legislation today to help hold down college tuition increases. But without additional Pell grant funding, our neediest students are going to continue to be left behind.

This Congress is able to pass massive tax cuts, which I voted against, for the wealthiest in our Nation; yet the maximum Pell grant has barely been increased since President Bush entered office. The Pell grant program is running a deficit. This deficit is likely to increase based on the likely outcome of this conference, and that is our concern.

The President's record on Pell is clear. Pell grant funding has not been a priority since President Bush took office. Increases in this account have largely been due to Democratic efforts

to raise funding. In order to ensure a well-educated workforce, we need to provide opportunities for all individuals to gain a college education. Low- and moderate-income individuals need Pell grants to attend college. It is that simple. Unless we make Pell grant funding a priority, we are not providing everyone, regardless of their economic means, with a college opportunity. I urge Members to support this motion.

Mr. CASTLE. Mr. Speaker, I rise today in support of the Kildee Motion which recognizes what the House, and Chairman REGULA, have done to increase funding for our student financial assistance programs. It is my hope that the conference report will sustain these increases and that this Congress will maintain our consistent support for higher education.

The vital programs at hand increase access to higher education and help to make college more affordable for students and parents across the country. While student aid is key these increases are not the sole solution to the crisis we are facing in American institutions of higher learning. Statistics show college tuition has been increasing well beyond the cost of living, causing students to graduate with incredible debt. For example, over the past 10 years, after adjusting for inflation, average tuition and fees at both public and private 4-year colleges and universities rose 38 percent. This is an extraordinary problem, a problem that I am dedicated to understanding and addressing.

I have always argued that increased funding must be accompanied by fundamental reforms. It is incumbent upon us, as legislators, to make every effort to ensure taxpayer dollars are spent carefully and effectively. Increasing federal spending will never eliminate all barriers to higher learning, as the pace of tuition is growing too fast. The Committee on Education and the Workforce is in the process of reauthorizing the Higher Education Act and I am confident we will do all that we can to tackle rising tuition and fees in a meaningful manner.

In my opinion, one way we can begin combating rising costs is by empowering parents and students with information. Imposing more transparency into the process will require schools to answer to the consumer about the where their money is going, the choices that school is making, as well as their efforts to contain costs. In essence it becomes a team effort where the winners are the student.

I believe in a balance of adequate education funding and fiscal constraint. Considering our current domestic and international responsibilities, I believe the House Labor, Health and Human Services and Education Appropriations Act represents a delicate balance between increased funding for all federal education programs and fiscal restraint. I supported these levels when they passed the House in July and I support them again today.

Mr. KILDEE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. ROGERS of Alabama). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Michigan (Mr. KILDEE).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KILDEE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108-382) on the resolution (H. Res. 449) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 78, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2004

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108-383) on the resolution (H. Res. 450) providing for consideration of the joint resolution (H.J. Res. 78) making further continuing appropriations for the fiscal year 2004, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2417, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2004

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108-384) on the resolution (H. Res. 451) waiving points of order against the conference report to accompany the bill (H.R. 2417) to authorize appropriations for fiscal year 2004 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNIVERSARY OF THE DEATH OF ISRAELI PRIME MINISTER YITZAK RABIN

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Mr. Speaker, earlier this month marked the anniversary of the death of former Israeli Prime Minister Yitzhak Rabin. A true man of peace, his life was tragically cut short during a rally for peace in Tel Aviv.

Yitzhak Rabin was a hero dedicated to the security, the stability, and the success of the State of Israel who gained trust among Israelis and among Arabs. His strength, courage, and commitment to peace in the Middle East has inspired thousands. Although his dream for peace has not been realized, his vision has not faded from our hearts.

I rise today to commemorate the life and achievements of this extraordinary statesman. May his vision inspire and endure for generations to come, and may we pay tribute to his legacy by continuing his quest for peace in the Middle East.

Mr. Speaker, I will insert in the RECORD at this point Yitzhak Rabin's last speech which he delivered the night of his assassination.

THE LAST SPEECH—PEACE RALLY, KINGS OF ISRAEL SQUARE, TEL AVIV, NOVEMBER 4, 1995

Allow me to say, I am also moved. I want to thank each and every one of you who stood up here against violence and for peace. This government, which I have the privilege to lead, together with my friend Shimon Peres, decided to give peace a chance. A peace that will solve most of the problems of the State of Israel. I was a military man for twenty-seven years. I fought as long as there were no prospects for peace. Today I believe that there are prospects for peace, great prospects. We must take advantage of it for the sake of those standing here, and for the sake of those who do not stand here. And they are many among our people.

I have always believed that the majority of the people want peace, are prepared to take risks for peace. And you here, by showing up at this rally, prove it, along with the many who did not make it here, that the people truly want peace and oppose violence. Violence is undermining the very foundations of Israeli democracy. It must be condemned, denounced, and isolated. This is not the way of the State of Israel. Controversies may arise in a democracy, but the decision must be reached through democratic elections, just as it happened in 1992, when we were given the mandate to do what we are doing, and to continue to do it.

I want to thank from here the President of Egypt, the King of Jordan, and the King of Morocco, whose representatives are present here, conveying their partnership with us on the march toward peace. But above all—the people of Israel, who have proven, in the three years this government has been in office, that peace is attainable, a peace that will provide an opportunity for a progressive society and economy. Peace exists first and foremost in our prayers, but not only in prayers. Peace is what the Jewish People aspire to, a true aspiration.

Peace entails difficulties, even pain. Israel knows no path devoid of pain. But the path of peace is preferable to the path of war. I say this to you as one who was a military man and minister of defense, and who saw the pain of the families of IDF soldiers. It is for their sake, and for the sake of our children and grandchildren, that I want this government to exert every effort, exhaust every opportunity, to promote and to reach a comprehensive peace.

This rally must send a message to the Israeli public, to the Jewish community throughout the world, to many, many in the Arab world and in the entire world, that the people of Israel want peace, support peace, and for that, I thank you very much.